

**SHIMA SEIKI MFG., LTD.**

Representative: Mitsuhiro Shima, President

Code number: 6222

Stock listings: Tokyo Stock Exchange (1<sup>st</sup> section)

*Notice of Decision on Matters pertaining to the Acquisition of Treasury Shares*  
*(Acquisition of Treasury Shares based on the rules of the Articles of Incorporation*  
*according to the provisions of Article 165 (2) of the Companies Act)*

SHIMA SEIKI MFG., LTD. (the “Company”) hereby announces that the Board of Directors, at its meeting on November 16, 2018, adopted resolutions on matters pertaining to the acquisition of treasury shares based on the applicable provisions of Article 156 of the Companies Act as replaced by Article 165 (3) of the same Act.

Notes

1. Reason for acquiring treasury shares

To enhance the return to shareholders and improve capital efficiency

2. Matters pertaining to the acquisition

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|---------------------------------------|---|
| (1) Types of shares to acquire        | Common shares of the Company  |
| (2) Total number of shares to acquire | One million shares (maximum)  |
|                                       | (Percent of number of shares outstanding (excluding treasury shares) 2.74%) |
| (3) Total cost of share acquisition   | Four billion yen (maximum)  |
| (4) Period of share acquisition       | November 19, 2018, to March 22, 2019  |
| (5) Acquisition method                | Purchased via the Tokyo Stock Exchange                                      |

(Reference) Treasury shares held as of September 30, 2018

Total number of outstanding shares (excluding treasury shares)	36,511,807 shares
Treasury shares	88,193 shares